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PROGRAMME PLANNING

Country and intercountry programmes and projects

FIFTH PROGRAMME FOR PARAGUAY

Note by the Administrator

I. PREPARATORY PROCESS

1. The preparation of the fifth programme for Paraguay is being carried out at a time of transition from an authoritarian political and economic model to a democratic and more liberal model. The cooperation programme of the fourth cycle is practically coincident with the Economic and Social Development Plan for 1985-1989. However, the new Government, which assumed power in February 1989, decided to reformulate the lines of the country's socio-economic development with a view to establishing a market economy without indicative planning, with clear and concrete objectives, which have served as a guide for the preparation of the 1992/1996 programme.

2. While the fourth programme had concentrated on increasing agricultural and industrial productivity and strengthening the sectors of energy-providing natural resources, the new Government has placed emphasis on social welfare, the restructuring of the public sector, and agrarian reform, with rational use of natural resources. With due regard for these specific interests, the recommendations of the mid-term review of the fourth cycle (July 1989) were aimed at readjusting the initial objectives to meet the goals fixed by the new Government. It was recommended that resources should be concentrated around key topics, in contrast with the previous dispersed allocation, and an attempt was made to find greater complementarity with United Nations programmes.

3. As a consequence of the implementation of these recommendations, the impact of the fourth programme was greater during its second stage. Thus, the securing of resources was increased with a smaller number of projects, there was an increase in the amount of national financing (cost-sharing), and greater emphasis was placed on national execution.

4. The final review of the fourth programme (February 1991) was conducted jointly with the Technical Secretariat of Planning, in order to lay the foundations

for the structuring of the programme areas of the fifth programme, its modalities of execution and the resources to be mobilized. At a later time, the consultations were transferred to public, decentralized and private agencies in order to identify

the sectors that would benefit from technical cooperation. The latter task was supported by specialized agencies of the United Nations, and contacts were maintained with the World Bank and the Inter-American Development Bank, with a view to extracting additional criteria for the programming of the fifth cycle.

5. Once the lessons of the fourth programme had been assimilated and the most relevant concepts and opinions of the above-mentioned interlocutors had been extracted, the process continued with the selection of three programme areas of external cooperation for the fifth cycle and the structuring of the forms of management and evaluation of that cycle, the distribution and assignment of funds for each of the subprogrammes and projects and the confirmation of the complementary assistance to the programme.

II. ANALYTICAL OBSERVATIONS ON THE COUNTRY PROGRAMME

6. The programme is arranged in three programme areas: modernization of the State; human/social development; and sustainable development of natural resources. These areas can be seen from four of the seven goals (details in paragraph 6 of the fifth country programme document) which the new Government intended to attain, and they are coincident with four of the six thematic areas of decision 90/34: (i) management development; (ii) eradication of poverty; (iii) environmental problems and natural-resource management; and (iv) women in development. Some of the projects scheduled for the fifth cycle have already been initiated during the year 1992, so as to coordinate a better follow-up of the three subprogrammes from the outset. It is expected that the IPF of the fifth cycle will be multiplied eightfold with resources from other sources.

7. The reform and modernization of the State has been a constant concern of the new Government. This implies rationalization of resource use and expenditures and reformulation of the modalities of operation of each of the public entities, so as to facilitate the conformation of a market economy in which the basic role will be reserved for private-sector activity. This reform, in turn, is dictated by the commitment made by the country when it signed the Treaty of Asunción (the Southern Cone Common Market (MERCOSUR)), which requires it to work for the attainment of a regional common market by 1995. The areas of UNDP cooperation are related to administrative and management reform of public entities, complemented by assistance to public entities that promote industrial investment, infrastructure interconnections and financial reordering in the public and private sectors.

8. A second aspect given priority by the new Government as one to benefit from international technical cooperation relates to human/social development, which is essential for combating the poverty that is manifested in low indicators of health and of disease prevention and high rates of illiteracy and of maternal and child mortality. Interpreting the Government's objectives, UNDP will support the promotion of the health and education of women and children, the promotion of human rights and the stimulation of employment and professional training, with emphasis on the well-being of children and women and the training of women as community leaders.

9. Side by side with human/social deterioration, there has also been a worsening ecological deterioration of the country, manifested in the gradual but sustained destruction of forest resources. The disordered and irrational utilization of natural resources for agricultural and stock-raising purposes is seen as the main cause of this problem. In the light of the twofold necessity of instituting agrarian reform and preserving the environment, which is understood by the new Government, UNDP will cooperate in order to attain sustained development of natural

resources; the latter is understood to mean an increase in the productivity of small and medium-sized agricultural producers, the preservation of the indigenous habitat in order to improve its socio-economic base, and hence the preservation of the environment.

III. MANAGEMENT OF THE IMPLEMENTATION OF THE COUNTRY PROGRAMME

10. Following the main lines of resolution 44/211 and of the lessons learned in the implementation of the preceding cycle, the fifth programme of cooperation will have a high level of national execution and a high level of financing by cost-sharing. It should be pointed out in this context that in so far as the above-mentioned three subprogrammes are concerned, each one will have unified management at the Government level, with a coordinator heading the unit. Special attention will also be given to the NGOs, which play an indispensable role at the grass-roots level. Thus, national execution will help to rationalize the expenditures in each subprogramme, and in this task it will be supported by technical cooperation among developing countries, regional projects and the United Nations Volunteers.

11. The programme contemplates periodic evaluations of each subprogramme, to be carried out by the national executing agencies, the Technical Secretariat of Planning, the UNDP office and the regional and international technical advisors, in addition to the mid-term and end-of-cycle reviews.

12. Furthermore, an attempt will be made to correlate the UNDP office better with the National Committee for the Coordination of External Technical Assistance, including computerized interconnections, so as to facilitate the tasks of management, monitoring and evaluation of the programme.

IV. RECOMMENDATION BY THE ADMINISTRATOR

13. Thus, it is expected that the management of the fifth cycle will be efficient and concentrate on the three areas of cooperation, so as to evaluate with greater certainty and precision the achievements that are hoped for at the end of the cycle. In other words, the ordering of the management and implementation of the programme in three well-defined items will provide clearer indicators of how the programme is progressing.

14. Bearing in mind the foregoing, the Administrator recommends that the Governing Council should approve the fifth programme of aid for Paraguay.